

Message Text

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PAGE 01 KUALA 04566 240813Z
ACTION EB-08

INFO OCT-01 EUR-12 EA-10 ISO-00 AID-05 CIAE-00 COME-00
FRB-03 INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15
STR-07 CEA-01 PA-01 L-03 H-01 IO-13 /119 W
-----097272 241713Z /42

R 240556Z MAY 78

FM AMEMBASSY KUALA LUMPUR
TO SECSTATE WASHDC 4466
INFO AMEMBASSY OTTAWA
AMEMBASSY SINGAPORE
AMCONSUL HONG KONG

LIMITED OFFICIAL USE KUALA LUMPUR 4566

HONG KONG FOR TREASURY REP SHARPE

E.O. 11652: N/A
TAGS: EFIN, MY
SUBJ: MALAYSIA REFLOATS LOAN AT VERY FAVORABLE TERMS

1. THE GOM HAS ANNOUNCED THE SIGNING OF A LOAN AGREEMENT WITH THE TORONTO DOMINION BANK FOR \$100 MILLION OVER A TEN YEAR PERIOD OF TIME. THE RATE HAS BEEN SET AT FIVE-EIGHTHS OF ONE PERCENT OVER LIBOR FOR THE FIRST FOUR YEARS OF THE LOAN AND 3/4 OF 1 PERCENT FOR THE REMAINDER OF THE PERIOD. THE PURPOSE OF THE LOAN IS TO PREPARE A LOAN SYNDICATED BY MORGAN GUARNATEE IN 1977 AT ONE AND ONE-EIGHTH PERCENT OVER LIBOR FOR SEVEN YEARS. THE LOAN IS EXPECTED TO BE DRAWN DOWN IMMEDIATELY. NO MAJOR AMERICAN BANK HAS EXPRESSED ANY INTEREST IN TAKING PART IN THE SYNDICATION TO DATE.

2. COMMENT: US BANKING SOURCES FEEL THAT THIS IS THE LOWEST RATE THAT THE GOM WILL EVER BE ABLE TO OBTAIN AND THAT RATES ON FUTURE LOANS WILL HAVE TO RISE. THIS LOAN DOES, HOWEVER, LIMITED OFFICIAL USE

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POINT OUT THE HIGH CREDIT RATING OF THE GOM AND THE EASE THAT IT HAS IN ARRANGING FAVORABLE TERMS ON ANY LOANS.
MILLER

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NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, BANK LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 may 1978
Decapton Date: 01 jan 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KUALA04566
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Expiration:
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Format: TEL
From: KUALA LUMPUR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780525/aaaaaump.tel
Line Count: 58
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ca62c397-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
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Review Exemptions: n/a
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SAS ID: 2590571
Secure: OPEN
Status: NATIVE
Subject: MALAYSIA REFLOATS LOAN AT VERY FAVORABLE TERMS
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To: STATE
Type: TE
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Review Markings:
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